

Please also replace the paragraph beginning on line 11 on page 2 and continuing to line 3 of page 3 with the following paragraph.

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-- A controller 10 provides overall control to the navigation system. For example, the controller 10 calculates the present pseudo-position of the vehicle based on information about the driving angle and velocity of the vehicle received from the sensing unit and selects one of present pseudo-position coordinates received from the GPS receiver 12 and the calculated pseudo-position coordinates. If an accumulation error of the sensing unit is small, the calculated pseudo-position is selected and, if the accumulation error is large, the accumulation error is compensated for with the value received from the GPS receiver 12. Aside from the present vehicle position, the controller 10 calculates the velocity and direction of the vehicle. Based on the traveling information, the controller 10 reads the map data of the neighborhood from the map data storage 18 and displays it on a display 26 while outputting it through a speaker 29. The controller 10 additionally provides an optimum route leading to a destination. A ROM 20 stores an operation program for the controller 10 and a RAM (Random Access Memory) 22 temporarily stores data processed during the operation of the navigation system. A graphic processor 24 processes the traveling information to graphic data for the driver to view. The display 26 displays the graphic data. The display 26 can be a CRT (Cathode Ray Tube) or an LCD (Liquid Crystal Display). A voice processor 28 processes the traveling information to voice data for the driver to hear. The speaker 29 outputs the voice data. The graphic processor 24 and the voice processor 28 process map data read from the map data storage 18 and graphic data representing varying states during operation to graphic data and voice data, respectively. --

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